



# House of Representatives

General Assembly

**File No. 400**

January Session, 2015

House Bill No. 5660

*House of Representatives, April 2, 2015*

The Committee on Commerce reported through REP. PERONE of the 137th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

**AN ACT CONCERNING THE RETURN OR USE OF UNUSED GRANT AWARDS FROM THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2015*) The Department of  
2 Economic and Community Development shall include in any  
3 agreement for the award of a grant by the department a date by which  
4 the grant recipient shall (1) return any unused grant award to the  
5 department, or (2) apply to the department for authorization to use  
6 such unused grant award for another purpose.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2015</i>	New section
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**CE** Joint Favorable

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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## **OFA Fiscal Note**

### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 16 \$</b>	<b>FY 17 \$</b>
Department of Economic & Community Development	Various – Potential Repayment Acceleration	See Below	See Below

Note: Various=Various

### **Municipal Impact:** None

### **Explanation**

The bill requires the Department of Economic and Community Development (DECD) to include in grant agreements a date by which a grant recipient must return unused grant funds. This may accelerate any potential refund payments owed by recipients to DECD, dependent upon the date included in the agreement. It is anticipated that such refund payments would be repurposed for other projects within the program that provided the funds.

The Auditors of Public Accounts report of DECD, published in November 2014, reviewed fifteen projects that received funds through DECD's programs. For two projects out of the fifteen examined, the time between DECD's last payment and receipt of refund was over two years. The amounts of those two refunds due over two years were \$48,786 and \$17,910 respectively.

### **The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Source: Auditors of Public Accounts

**OLR Bill Analysis****HB 5660*****AN ACT CONCERNING THE RETURN OR USE OF UNUSED GRANT AWARDS FROM THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.*****SUMMARY:**

This bill requires the Department of Economic and Community Development (DECD) to include in grant agreements a date by which a grant recipient must either (1) return unused grant funds to DECD or (2) apply for authorization to use unused grants funds for another purpose.

EFFECTIVE DATE: October 1, 2015

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable

Yea 21      Nay 0      (03/19/2015)